



STATE OF CALIFORNIA

LABOR AND WORKFORCE
DEVELOPMENT AGENCY

EMPLOYMENT DEVELOPMENT
DEPARTMENT

The California State Employment Development Department (EDD), as a recipient of federal and state funds, is an equal opportunity employer/program and is in compliance with Section 504 of the Rehabilitation Act and the Americans with Disabilities Act (ADA).

You can obtain information about accommodations for disabilities by contacting our Taxpayer Assistance Center at 1-888-745-3886. For TTY (nonverbal) access, call 1-800-547-9565.

REPORT

NEW HIRES AND INDEPENDENT CONTRACTORS TO EDD

PROVIDE SUPPORT
FOR CALIFORNIA
CHILDREN



EDD Employment
Development
Department
State of California

Why do I have to report?

The federal New Employee Registry (NER) program, part of the welfare reform legislation, required employers to report new hires to EDD. In 1999, the California Legislature expanded the reporting requirement to require businesses and government entities to report the independent contractors they hire beginning January 1, 2001.

What's the benefit?

The information you provide to EDD is cross-matched against a list of parents who are delinquent in their child support obligations. Child support agencies are then able to locate these parents to establish a payment order or enforce an existing order.

***Businesses And
Government Entities
Are Required To
Report New Hires
And Independent
Contractors To
Employment
Development
Department***

NEW EMPLOYEE REGISTRY (NER)

WHO MUST REPORT

- ◆ All employers and government entities.
- ◆ Out-of-state employers can select one state in which to report their new hires. It must be filed by magnetic media.

WHO TO REPORT

All newly hired or rehired employees.

WHEN TO REPORT

Within 20 days of the start-of-work date.

WHAT TO REPORT

- ◆ Employee's social security number, first name, middle initial, and last name, address, and start-of-work date.
- ◆ Your business name, address, California employer account number, and Federal Employer Identification Number (FEIN).

HOW TO REPORT

- ◆ Submit a *Report of New Employee(s)*, (DE 34); or
- ◆ Submit a copy of employee's W-4 (include employer account number and employee's start-of-work date); or

- ◆ Submit on magnetic media (diskette, tape reel, cartridge or CD-R).
- ◆ Submit through the Internet (iNER) by accessing EDD's Online Tax Services Web site eddservices.edd.ca.gov

WHERE TO REPORT

Employment Development Department
P.O. Box 997016, MIC 23
West Sacramento, CA 95799-7016
Telephone: (916) 657-0529
FAX: (916) 255-0951
Internet site: eddservices.edd.ca.gov

INDEPENDENT CONTRACTOR REPORTING (ICR)

WHO MUST REPORT

Any business or government entity required to file a Federal Form 1099-MISC for services performed by an independent contractor.

WHO TO REPORT

An individual (independent contractor) who receives compensation for work performed or who enters into a contract for services for which a Federal Form 1099-MISC will be filed.

WHEN TO REPORT

Within 20 days of EITHER making payments totaling \$600 or more, OR entering into a contract for \$600 or more with an independent

contractor in any calendar year, whichever is earlier.

HOW TO REPORT

- ◆ Submit a *Report of Independent Contractor(s)*, (DE 542); or
- ◆ Submit on magnetic media (diskette, tape reel, cartridge or CD-R).

WHERE TO REPORT

Employment Development Department
P.O. Box 997350, MIC 99
Sacramento, CA 95899-7350
Telephone: (916) 657-0529
FAX: (916) 255-3211

WHAT TO REPORT

You are required to provide the following that applies:

BUSINESS OR GOVERNMENT ENTITY'S	THE INDEPENDENT CONTRACTOR'S
<ul style="list-style-type: none">◆ Social security number◆ Business name◆ Business address◆ Business telephone number◆ CA employer account number◆ Federal employer identification number	<ul style="list-style-type: none">◆ First name, middle initial, and last name◆ Social security number◆ Address◆ Start date of contract◆ Amount of contract (including cents)◆ Contract expiration date◆ Ongoing contract (check box if applicable)

FOR ADDITIONAL INFORMATION OR TO OBTAIN FORMS

General inquiries: (916) 657-0529
Magnetic media inquiries:
(916) 651-6945

Web sites:
EDD general – 'www.edd.ca.gov'
ICR – 'www.edd.ca.gov/taxrep/txicr.htm'

NER – 'www.edd.ca.gov/taxrep/txner.htm'
EDD Online Tax Services – 'eddservices.edd.ca.gov'

Forms:
Forms are available on our internet site at www.edd.ca.gov or contact our Taxpayer Assistance Center at 1-888-745-3886. For TTY (nonverbal) access, call 1-800-547-9565.